



Types of Credit



There are three types of credit:

- **Credit cards**
- **Short-term loans**
- **Long-term loans**



Credit Example



Look at this credit example.

If you charge \$5000 at 18% and make only a minimum 2% monthly payment, it will take 46 years to pay off this debt! You will have paid \$18,931.



THREE FACTORS OF GOOD CREDIT RISK



- Character
- Capacity
- Collateral



COMPONENTS OF A CREDIT REPORT



- Personal Information
- Credit History
- Public Records
- Inquiries



LIFE INSURANCE



Life Insurance pays someone else if you die. Simply put, it insures your future income. If you don't have anyone depending on you for their financial well being, then you don't need life insurance.



TYPES OF LIFE INSURANCE



Term Insurance is the most basic. It provides a specified amount of protection for a specified number of years. That's why it is called "term." It is relatively low-cost, particularly for the young.

Permanent insurance provides lifelong protection. As long as you pay the premiums, the death benefit pays. You can keep life insurance for a long time. If you don't intend to keep the policy for the life, then review your insurance option.



Government Travel Card



A government travel card is a credit card and its intention is to streamline the expenses of government travel and related expenses. **It is for official use Only--NO EXCEPTIONS!!**

Carrying the travel card is a privilege, and like all privileges, it has accompanying responsibilities.



Types of Travel Cards



Standard Credit Card

The standard credit limit on these cards is \$5,000 per billing cycle. The APC (or CPM or TCPMO) has the authority to increase the overall credit limit on the card beyond \$5,000 to accommodate mission requirements. The ATM limit is \$500 per billing cycle. APCs may raise the ATM limit to \$4,000 per billing cycle and CPMs may raise the ATM limit



Types of Travel Cards (cont)



Restricted Travel Card

Restricted travel cards are the same in appearance as standard cards; however, they are inactive at issuance. The total credit limit on a restricted card is \$1,250 per billing cycle. This credit limit includes a \$200 ATM limit and a \$50 retail limit, with the remaining \$1,000 available to charge meals, lodging, rental cars and miscellaneous expenses. APCs can raise these limits based on travel requirements. At the request of the cardholder, the APC may activate the restricted card for a

specific travel event